

Rep. Peter Welch (D-VT) introduced legislation this week to ban individuals and companies convicted of bribing foreign officials from contracting with the federal government.

Welch crafted the legislation in response to an ongoing investigation into whether Xe Services — formerly known as Blackwater Worldwide — bribed Iraqi officials following a 2007 Baghdad shooting that left 17 Iraqis dead.

Remember the Iraq War?

According to a report in the New York Times, Blackwater allegedly authorized \$1 million in secret payments to Iraqi officials after the company came under scrutiny for the Nisour Square shooting. The Justice Department has been investigating the case since late last year.

"What Blackwater did was shocking and outrageous," Welch told Seven Days. "They were involved in killing 17 people in Baghdad and tried to buy their way out of it. They don't live by any code of conduct like our soldiers do, and they end up putting our soldier at risk."

The Overseas Contractor Reform Act (H.R. 5366) would automatically debar federal contractors convicted under the Foreign Corrupt Practices Act, which prohibits U.S. companies and individuals from unlawfully influencing foreign officials, according to Welch's office.

"Blackwater is about making money, pure and simple — not representing American interests," said Welch.

In April, the Justice Department announced that a federal grand jury had returned a 15-count indictment against five current and former Blackwater officials, largely for weapons violations, including charges they hid guns they had given Jordanian officials as gifts.

Come on — doesn't everyone give away an AK-47 as a door prize these days?

Welch's bill would immediately debar those convicted – and sever any ongoing contracts – 30 days after all possible appeals of a Foreign Corrupt Practices Act conviction are exhausted.

"Simply put, those convicted of bribing foreign officials have no business doing business with the federal government," Welch said. "Companies that flagrantly violate the rule of law – as Blackwater is accused of doing – ought to be stripped of their ability to profit off of American contracts."

Welch was the author of the Close the Contractor Fraud Loophole Act (H.R. 5712), which was signed into law in 2008. That bill took aim at a loophole that allowed overseas government contractors to avoid disclosing fraud.

Last fall, Welch called on Congress to investigate Blackwater's role in the 2007 shooting and whether it tried to bribe foreign officials. The legislation he introduced this week is an offshoot of that query and its subsequent hearings.

The legislation will be reviewed by the House Government Oversight and Reform Committee, of which Welch is a member.

For more background on Xe, or Blackwater, check out the work of Jeremy Scahill who wrote the book — literally — on this secretive outfit.